
HOUSE BILL 2775

State of Washington

57th Legislature

2002 Regular Session

By Representatives Clements, Armstrong, Linville and Grant

Read first time 01/28/2002. Referred to Committee on Agriculture & Ecology.

1 AN ACT Relating to sales of fruit; and amending RCW 20.01.430 and
2 20.01.480.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 20.01.430 and 1982 c 20 s 3 are each amended to read
5 as follows:

6 (1) Every commission merchant shall remit to the consignor of any
7 agricultural product the full price for which such agricultural product
8 was sold within thirty days of the date of sale, or in the case of
9 livestock within seven days of the date of sale unless otherwise
10 mutually agreed between grower and commission merchant. The remittance
11 to the consignor shall include all collections, overcharges, and
12 damages, less the agreed commission and other charges and advances, and
13 a complete account of the sale. Where payment for livestock is made by
14 mail, payment is timely if mailed within seven days of the date of sale
15 unless otherwise specified in an agreement between the producer and the
16 dealer in livestock. This subsection (1) does not apply to the sale of
17 fresh fruit by a commission merchant for a consignor.

18 (2)(a) When a commission merchant sells fresh fruit for a
19 consignor, the full price the fruit is sold for is due and payable

1 within thirty days of the date the fruit is shipped by the commission
2 merchant. The commission merchant shall bill the purchaser in a timely
3 manner so that the thirty-day deadline can be met.

4 (b) The commission merchant shall charge the purchaser interest at
5 an annual rate of eight percent on any portion of the full price that
6 is not paid by the purchaser for each day after the thirty-day deadline
7 specified in (a) of this subsection that the full price remains unpaid.
8 Any interest assessed by the commission merchant under this section is
9 payable by the purchaser to the commission merchant and by the
10 commission merchant to the consignor. Not later than the last day of
11 each thirty-day period after the fruit is shipped, the commission
12 merchant shall pay the consignor all portions of the sale price and
13 interest received by the commission merchant for the sale during that
14 thirty-day period until the amounts owed the consignor, including
15 interest, are fully paid.

16 (c) Once fruit is shipped under (a) of this subsection, the amounts
17 owed the consignor for the sale, including any interest, must not be
18 adjusted downward by the purchaser, the commission merchant, or any
19 other person for any reason whatsoever.

20 (d) It is a violation of this chapter for any commission merchant
21 to benefit financially, benefit through any improvement in the
22 merchant's marketing ability, or benefit in any other material way by
23 extending beyond the thirty-day deadline specified in (a) of this
24 subsection the date by which the amounts owed a consignor for a sale
25 are paid by the commission merchant to the consignor.

26 **Sec. 2.** RCW 20.01.480 and 1977 ex.s. c 304 s 13 are each amended
27 to read as follows:

28 (1) When a violation has occurred which results in improper payment
29 or nonpayment and a claim is made to the department and the payment is
30 secured through the actions of the department, the charges made to the
31 consignor for the action of the department in the matter will depend
32 upon the delay of reporting after such improper payment or nonpayment
33 would normally become obvious to the consignor as follows:

34 ((+1)) (a) When reported within thirty days, no charge.

35 ((+2)) (b) When reported thirty days to one hundred eighty days,
36 five percent.

37 ((+3)) (c) When reported after one hundred eighty days, ten
38 percent.

1 (2) The charges specified in subsection (1) of this section are in
2 addition to the eight percent interest requirement specified in RCW
3 20.01.430(2).

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